

Madison County Decision Points

The following three steps highlight the decisions the county needs to make to stipulate their broadband goals, desired role in public-private partnerships and how the county will facilitate partner expansions. Once the county completes the following three steps, please return this document to us (completed with number/checks) and CIT will combine these decisions and information from the assessment to prepare the county's broadband requirements included in a draft conceptual phase RFP. The draft RFP will be provided for the county to set target dates, complete contact information and ensure the RFP meets the county's procurement policy. CIT is happy to distribute the RFP once the county is ready to publish it.

Step 1: Determine the Desired Role of the County in Partnerships

Determine the role and partnership model that works best for Madison County. Select one from the partnership models listed below (Place a check mark beside desired role):

☐ Locality Shares Assets Only

- Some localities do not have the resources (people or money) to bring to a partnership. However, all localities have assets (towers, land, rooftops). In these types of partnerships, the locality agrees to share assets and even provide the private partner some "anchor" tenants on their network – government facilities or fire/rescue stations that would buy service (or receive service in exchange for sharing assets) from the private partner's network. This ensures the private provider recurring revenue – or customers that will not go away (residential and small businesses can come and go). Sharing assets lowers the deployment cost (capital investment) of the private provider which expedites deployment and helps make the business case for the less populated areas.

☐ Locality Covers Capital Investment

- Some localities prefer to make all the capital investments – funding towers, head-end Internet service (the connection that provides the bandwidth to the network and connects to the world), and wireless equipment. The private partner brings their expertise to the table – design, deploy, maintain and operate the network. The private partner would also provide the people resources to support end customers (setting up the connection, billing, etc.). In these models there is a revenue share and typically on a sliding scale – providing more of the revenue to the locality in the early years to reimburse them for the capital investment and then shifts to the private partner in the later years to offset their overhead expenses. The locality owns the network and contracts the private partner to run it.

☐ Locality Invests Some Capital

- This model would be a blend of the previous two. The locality may share assets and may invest some capital to offset the initial costs of the network – maybe cover the costs of a new tower (or more) and/or some fiber deployment. The locality may arrange to recoup this investment by obtaining Internet services to county/city facilities, leasing space on the tower/fiber to other entities (ensuring there is no interference). The locality may purchase Internet service from the network and pay for years in advance – providing the private partner additional capital to help offset

June 30, 2017 June 27, 2017

Madison County Decision Points

their initial investment. The private partner would fund the wireless equipment, customer premise equipment and all costs to deploy maintain and operate the network. There would be no revenue sharing.

Step 2: Adopt and Prioritize Broadband Goals

The needs listed below were identified from your community assessment. Select and prioritize those the county will adopt as goals moving forward with a broadband expansion plan. Feel free to add any other goals the county wants to include in this list. Please note priority by placing a number beside those needs you adopt as goals;

- Consider a computer refurb/donation program for households with affordability challenges.
 - ***35% of population may have affordability challenges.***
- Promote library-based computer classes for the populations that may be slow to adopt technology or need special equipment.
 - ***20% of population are seniors and 12% of population have a disability.***
- Expand access and capacity for residents that have no access or need other options. According to the Madison County survey:
 - ***67% of residents state they need better access than their current coverage.***
 - ***64% (of all respondents) rely upon cellular, satellite or dial up.***
 - ***17% have NO access at all.***
 - ***30% of residents would telecommute if they had better access.***
 - ***26% of respondents report home based businesses***

Specific residential priority areas include, but are not limited to: Aroda, Banco, Brightwood, Hood, Oakpark, Reva, Rochelle, Radiant, Syria.
- Expand access and capacity to businesses that have no access or need other options. According to the Madison County survey;
 - ***62% of businesses state they need better access than their current coverage.***
 - ***87% of business owners say the Internet is important/critical to their businesses.***
 - ***67% of businesses depend on inadequate services; cellular, satellite and DSL.***
 - ***26% (of all respondents) have home based businesses.***

Specific business priority areas include, but are not limited to: Banco, Etlan, Haywood, Hood, Reva, Rochelle, Syria.
- Increase broadband and capacity to emergency service buildings and government facilities.
 - Specifically those currently connected by the wireless point-to-point system.
- Adopt Virginia's Public-Private Education and Infrastructure Act of 2002 (PPEA).
 - Allows the greatest flexibility in phasing deployments and allows the local government to invest when and where they deem most appropriate for the community.

Madison County Decision Points

Step 3: Specify What the County will Share/Invest

Anything Madison County can offer a potential provider(s) in the form of incentives - rights-of-way, pole attachments, easements, permits, or facilities - provides leverage the county can use to lower costs of deployment, shorten deployment time and make a project more attractive to potential providers.

Madison County assets as identified in the previous assessment should be considered for commitment to any future broadband partnership. Madison County should consider the following incentives. Please place a check mark beside the items the county is willing to commit to partners.

- ☐ Share space on vertical assets – existing towers, utility poles, silos, water tanks, buildings etc.
 - **Madison County has 10 towers and there are 31 FCC-registered structures within the county.**
- ☐ Reduce or suspend leases on county or municipality owned towers for potential private partner(s).
- ☐ Share space on or in county-owned property for tower construction, location of points of presence, networking equipment, poles etc.
- ☐ Waive local fees for permitting and construction of any broadband related infrastructure deployed by potential private partner(s).
- ☐ Assist with project marketing and/or public relations leveraging county media relationships, direct mailings to constituents and social media.
- ☐ Leverage county relationships with local utilities, carrier-grade construction companies, and educational facilities etc., to help facilitate future deployments.
 - **REC has over 15K poles within Madison County. Madison County should leverage their relationship with REC to reduce pole attachment and/or make-ready fees for new attachments by potential private partner(s).**
 - **REC states publicly on their website that they want to be “part of the solution to bring broadband service to our members.” Consider a joint discussion with REC about working together to find funding and a broadband partner.**
- ☐ Provide a single-point-of-contact for any permitting for broadband infrastructure construction by the private partner(s).
- ☐ Leverage ongoing or pending capital projects, such as water, road construction, main street revitalization, new sub-divisions, fiber builds etc.
 - **Take advantage of “Dig Once” opportunities to coordinate the install of an underground fiber link or conduit whenever the ground is open for building or renovating roads, utility infrastructure, energy distribution channels, sidewalk repair etc. “Dig Once” can significantly reduce costs to potential private partner(s).**
- ☐ Provide possible assistance with deployment costs depending on available county funds.
- ☐ Pursue any federal or state broadband funding opportunities to help offset the costs of broadband access and capacity expansion.
- ☐ Provide anchor tenants to any private partner(s)' broadband networks to provide recurring revenue source. The service provided to any county facilities must be equal to or better than current pricing, quality of service and provide the required bandwidth to support those county functions. Potential anchors follow, but are not limited to - feel free to add any other potential anchors the county wants to include;
 - **Madison County Library - Contract with Comcast was month-to-month.**

June 30, 2017 June 27, 2017

Madison County Decision Points

- Schools - contract with Lumos expires Jan 2019.
- Sheriff's Office/911 Center – leased connection from Lumos month-to-month contract.